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ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 CIAE-00 DODE-00 INR-05 NSAE-00

PA-01 RSC-01 USIA-06 PRS-01 SP-02 AID-05 IO-10 FBIE-00

JOHN Thomsom STONE house

1044 W

P R 201505Z DEC 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC PRIORITY 6760

INFO AMEMBASSY PRAGUE

b3 50 U.S.C. § 3024(i)(1) per FBI

15 DEC 27 1974

b6 per FBI b7C per FBI

D/C per FBI

b7E per FBI

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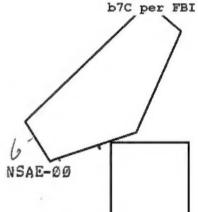
E.O. 11652: N/A

TAGS: PFOR, UK

SUBJECT: DISAPREARANCE IN FLORIDA OF LABOR MP STONE-

7 0 1Kgust 1975

File



b6 per FBI

125282

. REC-77

EX 104

- TABLOID PRESS, HAVE HAD FOLD A-00000505965 "UNCLASSIFIED" 5/18/2022

 DAY IN REPORTING DISAPPEARANCE IN FLORIDA OF LABOR MP STONEHOUSE. IT HAS BEEN ALLEGED STONEHOUSE HAD CONNECTIONS WITH MAFIA, WAS IN FINANCIAL DIFFICULTIES, HAD RECENTLY TAKEN OUT LIFE INSURANCE, AND HAD MISHANDLED OR APPROPRIATED MONEY OF BANGLADESH DEVELOPMENT FUND, AN INSTITUTION HE WAS RESPONSIBLE FOR ESTABLISHING.
- ANOTHER STORY GIVEN WIDE DISTRIBUTION WAS THAT STONE-HOUSE WAS CONNECTED WITH CZECH INTELLIGENCE SERVICE.

 THE STORY HAD ITS ORIGIN IN STATEMENTS MADE BY PROMINENT CZECH DEFECTOR MAJOR JOSEF FROLIK, WHO ACCUSED STONEHOUSE OF THESE CONNECTIONS AS EARLY AS 1969. WITH PUBLICITY ON HIS DISAPPEARANCE, DEFECTOR'S CLAIM WAS REVIVED AND DUSTED OFF AGIN, WITH RESULT THAT PRIME MINISTER WILSON RUSHED TO MAKE AN EXPLANATORY STATEMENT IN HOUSE OF COM-MONS DECEMBER 18.
- J. IN HIS UNUSUAL REACTION ON NEWSPAPER REPORTS ABOUT
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INTELLIGENCE ACTIVIES, WILSON NOTED THAT THE ALLEGATIONS WERE FIRST MADE BY THE CZECH DEFECTOR IN 1969, WHEN STONEHOUSE WAS MINISTER FOR POSTS AND TELECOMMUNICATIONS. WILSON SAID THAT, WITH HIS APPROVAL, THE SECURITY SERVICE HAD INVESTIGATED THESE ALLEGATIONS FULLY AND ADVISED HIM THAT AT THAT TIME THERE WAS NO EVIDENCE TO SUPPORT THE ALLEGATIONS. WILSON SAID THAT HE HAD AGAIN BEEN ADVISED THAT NO EVIDENCE HAD COME TO LIGHT AT ANY TIME SINCE THEN. WILSON SAID IT WAS PROVED THAT STONEHOUSE HAD NOT BEEN A CZECHOSLOVAK SPY AND THAT HE WAS NOT IN ANY SENSE A SECURITY RISK. WILSON ADDED THAT STONEHOUSE WAS ALSO NOT AN AGENT OF THE CIA.

4. IN HIS STATEMENT, WILSON SAID THAT INVESTIGATION INTO DISAPPEARANCE WAS BEING CONDUCTED BY AMERICAN AUTHORITIES WHO WERE IN TOUCH WITH BRITISH COUNTERPARTS, BUT HE SAID HE HAD NO INFORMATION ABOUT STONEHOUSE'S DISAPPEARANCE.

BBC TELEVISION CARRIED FACTUAL REPORT ON EVENING OF DECEMBER 19 ON ACTIVITIES OF FLORIDA POLICE.

SPIERS